

Exhibit 286 [replacing Dkt. #1964-74] attached to Plaintiffs' Memorandum of Law in Support of Motion for Partial Summary Adjudication that Defendants did not Comply with Their Duties under the Federal Controlled Substances Act to Report Suspicious Opioid Orders and Not Ship Them (Second Corrected) at Dkt. #1910-1.

- Redactions withdrawn by Defendant

EXHIBIT 286

RE: Clarifying the "partial" Issue in CSMP

From:**"McDonald, Tom"** <tom.mcdonald@mckesson.com>**To:****"Smith, Tom"** <tom.smith@mckesson.com>, **"Morrissey, Dave"** <dave.morrissey@mckesson.com>**Cc:****#PGVPGM** <#pgvpgm@mckesson.com>, **#PGRDRC** <pgrdrc@mckesson.com>, **"Walker, Donald"** <donald.walker@mckesson.com>**Date:**

Thu, 10 Jun 2010 16:14:59 +0000

Tom,

Thanks for the question. I understand your frustration. Remember, our thresholds are set up with buffers to allow for variance. In order for a customer to breach a threshold set in the system, they will have to exceed their highest month's usage by 10%. The vast majority of customers never approach this number. The system is set up to identify an order that may put us and our customer at risk. The order lines that are suspended are reviewed the following day by Ops through the Level I review processes. When all has been cleared, the suspension is lifted and the order process continues as normal. Additionally, only the base code where the threshold was breached will be suspended. All other controlled substances basecodes remain eligible for ordering.

Regards,

Tom McDonald
Director of Regulatory Affairs
Western Region
McKesson Pharmaceuticals
9501 Norwalk Blvd.
Santa Fe Springs, CA 90670
office 562-463-2250
cell 562-577-7699
fax 562-463-2251

Confidentiality Notice: This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

From: Smith, Tom**Sent:** Thursday, June 10, 2010 8:56 AM**To:** Morrissey, Dave; McDonald, Tom**Cc:** #PGVPGM**Subject:** RE: Clarifying the "partial" Issue in CSMP

If the store has a legitimate threshold then why are we worried about how they order product? Stores key in wrong quantities all the time. Our system is are checking point of reviewing the order. It takes out the human error portion of this program.

Bottom line is that at the end of each month many D.C.'s will have 50+ orders cut for 100 or 200 tablets. This will cause us to do hot shots plus upset a lot of customers.

What I do not understand is that we have the most elaborate program in the industry in place. We have a program set up where a customer can not get 1 tablet over their threshold. Yet, now we are going to get away from our advance technology and go back to manually reviewing orders because a customer didn't know he had 400 tablets left and ordered a bottle of 500. How in the world do we expect customers to keep up with their exact threshold on each item? By the way, many times the smaller unit sale creates a better profit margin for us.

Tom
(205) 477-2620 ext: 2727
(205) 335-7426 cell
Tom.Smith@McKesson.com

From: Morrissey, Dave
Sent: Thursday, June 10, 2010 10:35 AM
To: McDonald, Tom
Cc: #PGVPGM
Subject: RE: Clarifying the "partial" Issue in CSMP

Got it.

Thanks Tom,

Dave Morrissey
Vice President General Manager
Rocky Hill, CT, Methuen Ma. (191) (110)
Phone 860-721-0800 x258
Fax 860-571-0365
Cell 1-860-681-3045
Audix 4339

From: McDonald, Tom
Sent: Thursday, June 10, 2010 11:18 AM
To: Morrissey, Dave
Cc: #PGRDRC; #PGRTLVPS; #PGVPGM
Subject: RE: Clarifying the "partial" Issue in CSMP

Dave,

The reason for the change is regulatory in nature. The wholesaler's responsibilities include identifying and reporting suspicious orders. The purpose of CSMP is to identify suspicious orders prior to shipping the order. Filling part of a suspicious order line does not conform to the compliance requirement based on our interpretation. The change allows for that compliance. Another example would be a customer with a threshold of 20,000 and an accumulation of 10,000. Hypothetically, a suspicious order can be placed for 15,000 doses. We would ship 10,000 of those doses before suspending the order in the old process. The new process stops the order and allows us to review it and the circumstances surrounding it before making a determination to adjust the threshold, either temporarily or permanently. Hope that helps.

Regards,

Tom McDonald
Director of Regulatory Affairs
Western Region
McKesson Pharmaceuticals
9501 Norwalk Blvd.
Santa Fe Springs, CA 90670
office 562-463-2250
cell 562-577-7699
fax 562-463-2251

Confidentiality Notice: This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

From: Morrissey, Dave
Sent: Thursday, June 10, 2010 7:37 AM
To: McDonald, Tom
Subject: RE: Clarifying the "partial" Issue in CSMP

Tom,

Is there any special reason for the change in the partial shipment, (I do not see it below)? Under the example below if the customer had a threshold of 5,000 and their accumulation was only at 2,500 and they then ordered 3 bottles of 1,000 we would cut the entire order. Is this more of a system problem, or is there another reason for the change?

Thanks for the clarification,

Dave Morrissey
Vice President General Manager
Rocky Hill, CT, Methuen Ma. (191) (110)
Phone 860-721-0800 x258
Fax 860-571-0365
Cell 1-860-681-3045

Audix 4339

From: McDonald, Tom
Sent: Wednesday, June 09, 2010 12:31 PM
To: #PGRDRC; #PGVPGM; #PGRTLVPs
Cc: Walker, Donald
Subject: Clarifying the "partial" Issue in CSMP

Per the request from the conference call today, the term "partial" referenced below in bullet three of **"What's Changing"** refers to order lines as they relate to CSMP thresholds. It has no effect on inventory issues. An order that will take a customer over the threshold will not be shipped at all. Previously we would ship a partial quantity up to the threshold. That has changed.

Example:

Prior to the change: Threshold is set at 5,000 dosage units (for example). Customer's accumulation for the month is 4,500. They place an order for six bottles of 100. Five bottles were filled and one was omitted due to the threshold breach.

Post change: Threshold is set at 5,000 dosage units (for example). Customer's accumulation for the month is 4,500. They place an order for six bottles of 100. The entire order line is omitted for the item due to the threshold breach. No bottles will be shipped.

From: Walker, Donald
 Sent: Thu 6/3/2010 9:31 AM
 To: #PGVPDO; #PGVPGM; #PGDCM; Longwell, Sharon; Ray, Darlene; Jefferies, Dan; Rose, Scott; Oriente, Michael; Gustin, Dave; Hilliard, Gary; Jonas, Tracy; de Gubierrez-Mahoney, Bill; Starn, Frank; Balaun, Bill; Canning, Tim; Hamik, Bill; Hannon, Jack; Kricher, Linda; Pasquale, Pete; Pawlak, Tim; Petrus, Susan; Roach, Dave; Catton, Rex; Scofield, Cathy
 Subject: List I Chemicals

I wanted you to be aware that we are in the process of expanding our existing CSMP program to comply with additional DEA regulations. This latest enhancement will include the monitoring of all List I chemicals purchased by our customers. List I chemicals will now be monitored in the same way we are monitoring controlled substances and include items such as, Pseudoephedrine, Ephedrine etc...Below please find an overview of the latest enhancement.

What's Changing

- * All List I chemicals will now be monitored by individual customer purchases for all segments.
- * List I chemicals will have assigned thresholds based on purchase history.
- * **There will no longer be "partial" omits on controlled substances or List I chemicals. If a customer exceeds their threshold on a certain item the entire item ordered will not be shipped.**

What's Not

- * This is NOT a new program; it is an enhancement to our current CSMP program. CSMP remains intact.

To insure a smooth transition, we have developed a communication strategy to insure that all our customers are aware of this enhancement prior to go-live. Tom McDonald, Director, Regulatory Affairs and project lead, will be scheduling time with each of the segment's Leadership Teams to review this enhancement in greater detail and review a customized communication plan. Customers will need to be aware of this change prior to go-live in July.

Thank you in advance for your support of this very important enhancement to CSMP

Don

Regards,

Tom McDonald
 Director of Regulatory Affairs
 Western Region
 McKesson Pharmaceuticals
 9501 Norwalk Blvd.
 Santa Fe Springs, CA 90670
 office 562-463-2250
 cell 562-577-7699
 fax 562-463-2251

Confidentiality Notice: This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original

message.